



OFFICE OF MANAGEMENT AND BUDGET

Isiah Leggett
County Executive

Joseph F. Beach
Director

MEMORANDUM

November 30, 2009

TO: Stephen B. Farber, Staff Director, County Council
FROM: Joseph F. Beach, Director
SUBJECT: Fiscal Plan Update

Attached please find the updated fiscal plan and supporting documents. As the attached documents indicate, the projected gap for FY11 is now estimated at over \$608 million including implementation of the recently approved FY10 Savings Plan. The various assumptions underlying this forecast are discussed below, but include the most recent revenue estimates prepared by the Department of Finance. A projected gap of this magnitude at this point in the budget cycle will present the County with significant challenges and many difficult choices. We are considering a variety of spending reduction solutions at this point, but we consider *all* services to be under consideration for significant reductions at this point. Please note the following concerning certain assumptions and issues in the fiscal plan:

1. **Revenues:** The latest revenue projections from the Department of Finance for tax revenues and investment income. All taxes are projected at current rates with the exception of property taxes, which are assumed to be at the charter limit through a rate cut.
2. **State Aid:** State Aid is projected at current formulas for FY10 and FY11 except in those cases where the Board of Public Works has approved reductions. Given the State's projected budget gap of \$2 billion, it is likely that the Governor's FY11 Operating Budget, which will be published in January 2009, may include significant reductions to local aid. School Aid is projected at legally approved levels and we have made no assumptions regarding the imposition of a penalty related to the calculation of K-12 Maintenance of Effort.
3. **FY10 Expenditures:** The FY11 projection of Agency Expenditures is based on a same services estimate of next year's expenditures, not an average rate of growth, and the specific major known commitments that are included in the estimate are attached. While the Executive will not recommend an operating budget at same services, this approach is used to indicate the level of existing personnel cost and programmatic commitments and challenges that exist in the budget. These challenges include the cost of existing labor contracts and those currently being negotiated, benefit cost increases, Retiree Health Insurance, the operating cost of new capital facilities, inflationary escalation in existing service contracts, annualization of approved positions, and other programmatic costs. The FY11 budget cannot be balanced, in the absence of dramatic tax increases, without many of these costs being eliminated or significantly reduced.

Office of the Director

Stephen B. Farber

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4. **Fund Balance:** One of the most troubling implications of the revised revenue estimates is that the FY10 ending/FY11 beginning undesignated fund balance for the tax supported funds (excluding proprietary funds and grants) is now showing a current year deficit of \$31.6 million (line 3 of the fiscal plan summary). This is nearly \$108 million *less* than the \$76.2 million reserve the Council targeted when it approved the FY10 budget. The reduced reserve levels are due primarily to the write down in FY10 projected revenues of \$105 million (tax revenues, investment income, and State aid). As you know, the tax supported reserves shown in the fiscal plan is a combination of all of the tax supported funds of all of the agencies. We are analyzing the fund-by-fund impact of the revenue losses to determine which funds may end FY10 in a negative position.
5. **Supplemental Appropriations:** The fiscal plan includes an assumption of \$20 million in tax supported supplemental appropriations. The Council has approved only two such appropriations so far this year. The largest and most unpredictable item is for snow removal and storm response. The Executive Branch is strictly limiting the number and amount of any supplemental appropriations.
6. **Actions:** Given the gravity of the current challenges we face it is necessary to act quickly to address both the current year projected deficit and the projected FY11 budgetary gap. We will work collaboratively with the County Council on these solutions.

JFB:df

Attachments

c: Timothy L. Firestine, Chief Administrative Officer
 Jennifer Barrett, Director, Department of Finance
 Kathleen Boucher, Assistant Chief Administrative Officer

Fiscal Plan Update
December 2009
Tax Supported Fiscal Plan Summary

(\$ in Millions)						
	App. FY10 5-21-09	Est. FY10 12-1-09	% Chg. FY10-11 Rev/Bud	% Chg. FY10-11 Rev/Est	Rec. FY11	Rec. FY11
1 Revenues						
2 Beginning Reserves Undesignated	3,804.9	3,700.1	-2.7%	0.1%	3,703.3	
3 Beginning Reserves Designated	115.5	103.6	-127.4%	-130.5%	(31.6)	
4 Net Transfers In (Out)						
5 Total Resources Available	3,957.7	3,800.8	-7.4%	-79.4%	7.7	
6 Less Other Uses of Resources (Capital, Debt Service, Reserve)	3,622.2	269.5	25.1%	68.1%	453.1	
7 Available to Allocate to Agencies	3,595.4	3,571.3	-10.3%	-9.7%	3,226.2	
9 Agency Uses						
10 Montgomery County Public Schools (MCPS)	2,020.1	2,010.2	3.6%	4.1%	2,092.2	
11 Montgomery College (MC)	217.5	216.5	7.5%	8.0%	233.9	
12 MNCPPC (w/o Debt Service)	106.6	104.5	3.4%	5.5%	110.2	
13 MCG	1,251.2	1,240.2	6.6%	7.5%	1,333.6	
14 Subtotal Agency Uses	3,595.4	3,571.3	4.9%	5.6%	3,769.9	
15 Retiree Health Insurance Pre-Funding						
16 Montgomery County Public Schools (MCPS)					30.9	
17 Montgomery College (MC)					0.8	
18 MNCPPC (w/o Debt Service)					3.6	
19 MCG					29.2	
20 Subtotal Retiree Health Insurance Pre-Funding					64.5	
21 Subtotal Other Uses of Resources (Capital, Debt Service, Reserve)	362.2	269.5	25.1%	68.1%	453.1	
22 Total Uses	3,957.7	3,840.8	8.3%	11.6%	4,287.6	
23 (Gap)/Available					(608.3)	

Notes:

1. FY11 property tax revenues are at the Charter Limit.
2. Projected agency spending is based on Major Known Commitments including compensation.
3. Retiree health insurance pre-funding is assumed at the scheduled FY11 amounts.
4. Reserves are restored to the policy level of 6% of total resources in FY11.
5. PAYGO is restored to the policy level of 10% of the planned bond issue in FY11.

Reconciliation of the Gap from September to December 2009

Gap on September 29, 2009	\$ (369.886)
Revenue Update (FY10 and FY11)	(269.701)
Income Tax	(208.327)
Property Tax -- FY10	0.899
Property Tax -- reduced FY11 yield due to lower inflation	(48.467)
Transfer and Recordation Tax	(4.138)
Fuel/Energy Tax	6.093
Telephone Tax	(1.123)
Hotel/Motel Tax	(7.996)
Investment Income	(6.642)
State Aid (FY10)	(17.388)
Highway User Revenue	(9.285)
Police Protection	(4.855)
Health Services	(1.623)
Montgomery College	(1.625)
FY09 Year-End Closing	(11.878)
FY10 Savings Plan	24.316
County Government	11.165
MCPS	9.900
Montgomery College	1.071
MNCPPC	2.180
Other Adjustments	
Changes to FY11 revenues due to updated assumptions (CPI, population)	(1.058)
Shift supplemental set aside from FY11 to FY10	1.200
Impact of FY10 Savings Plan on Charges for Services	0.180
Updated FY10 MCPS revenues (November financial report)	0.400
Slippage of FY09 Mass Transit Aid to FY10	22.089
Slippage of FY09 Current Revenue reductions to FY10	4.631
Agency Spending -- MKC plus Compensation	
MCG	(6.100)
MCPS	0.000
Montgomery College	0.000
MNCPPC	0.000
Net Effect on Reserves of Resource Changes	14.905
Gap on December 1, 2009	\$ (608.291)

A	B	C	D	E	F	G
1	Major Known Commitments by Agency					
2						
3		MCPS	MCG	College	MNCPPC	Total
4	FY10 Appropriation	2,020,078,263	1,251,173,090	217,549,063	106,646,100	3,595,446,516
5	Debt Service Reimbursement	(79,537,322)				(79,537,322)
6	FY10 Appropriation (net)	1,940,540,941	1,251,173,090	217,549,063	106,646,100	3,515,909,194
7	Potential or Negotiated FY11 Compensation:					
8	(FY10 Level)					
9	General wage adjustment	84,775,000	28,847,581	6,984,015	2,682,200	123,288,796
10	Steps/service increments	18,859,068	5,513,250	2,313,659	910,900	27,596,877
11	Projected group insurance cost increases	26,048,866	16,000,000	828,500		42,877,366
12	Projected retirement cost increases	2,195,092	12,500,000			14,695,092
13	Retiree health insurance pre-funding	30,942,250	29,154,000	803,000	3,628,350	64,527,600
14	Other projected bargaining costs	400,000	593,820			993,820
15	Elimination of one-time items		(6,655,160)			(6,655,160)
16	Cost increase due to enrollment	6,537,580		1,236,305		7,773,885
17	Operating impact of new facilities	417,396	661,020	3,202,161		4,280,577
18	Annualizations					0
19	Annualization of FY10 increments		2,178,450			2,178,450
20	Other position annualizations		276,350	1,000,035		1,276,385
21	GE Facility Maintenance		717,440			717,440
22	MCFRS – FROMS contract		(306,630)			(306,630)
23	Programmatic set-asides					0
24	Master Lease payment reductions		(1,371,120)			(1,371,120)
25	Community Grants		3,226,520			3,226,520
29	Working Families Income Supplement		1,455,200			1,455,200
30	Election cycle changes		4,104,840			4,104,840
35	County Attorney Disparity Study		500,000			500,000
46	Inflation:					
47	Energy/utility costs		682,070	159,576		841,646
48	Fuel/rate increases		3,069,320			3,069,320
49	Contracts		560,830			560,830
50	Instructional materials/other	5,420,285				5,420,285
51	Nonpublic placements	2,105,578				2,105,578
52	Other			600,000		600,000
53	Other inescapable cost increases:					
54	Self-insurance, workers compensation	2,447,053	9,912,000	25,000		12,384,053
55	Maintenance, transportation, etc.	2,407,573				2,407,573
59		182,555,741	111,619,781	17,152,251	7,221,450	318,549,223
60						
61	Total	2,123,096,682	1,362,792,871	234,701,314	113,867,550	3,834,458,417
62	Percent increase	9.4%	8.9%	7.9%	6.8%	9.1%

REVENUE SUMMARY
TAX SUPPORTED BUDGETS
(\$ Millions)

A KEY REVENUE CATEGORIES		B App. FY10	C Estimate FY10	D % Chg. FY10-11	E % Chg. FY10-11	F Res/ Est	G % Chg. FY11-12	H Projected FY12	I % Chg. FY12-13	J Projected FY13	K % Chg. FY13-14	L Projected FY14	M % Chg. FY14-15	N Projected FY15	O % Chg. FY15-16	P Projected FY16
TAXES		5-21-09	12-1-09	-0.1%	-0.2%	1,438.9	2.8%	1,479.3	3.4%	1,529.4	3.5%	1,583.7	3.8%	1,644.2	3.2%	1,696.9
1 Property Tax (less PTDs)		1,440.9	1,441.8	-0.1%	-0.2%	1,438.9	2.8%	1,479.3	3.4%	1,529.4	3.5%	1,583.7	3.8%	1,644.2	3.2%	1,696.9
2 Income Tax		1,214.8	1,120.7	-4.1%	-4.0%	1,165.5	5.8%	1,232.7	6.5%	1,312.5	7.3%	1,408.0	8.9%	1,533.1	7.6%	1,649.1
3 Transfer Tax		65.0	65.5	8.6%	17.2%	76.8	2.9%	79.0	0.3%	79.2	3.2%	81.8	2.0%	83.4	2.3%	85.3
4 Recorrelation Tax		51.9	40.6	-0.2%	-27.6%	51.8	3.2%	53.4	-0.3%	53.3	2.9%	54.8	2.4%	56.1	2.3%	57.4
4a Recorrelation Tax Premium		6.5	6.5	-100.0%	-100.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0
5 Energy Tax		130.4	133.5	4.5%	2.1%	136.3	2.6%	139.8	2.8%	143.7	2.4%	147.2	2.1%	150.3	1.8%	153.0
6 Telephone Tax		32.8	31.6	-3.2%	-7.2%	33.9	6.8%	36.2	6.6%	38.6	6.4%	41.0	6.2%	43.6	6.1%	46.3
7 Hotel/Motel Tax		20.0	16.0	-12.4%	9.7%	17.5	1.7%	17.8	0.2%	17.9	0.1%	17.8	1.0%	18.0	1.0%	18.0
8 Admissions Tax		2.1	2.1	-0.3%	-0.3%	2.1	-3.8%	2.0	-3.4%	2.0	-3.2%	1.9	-3.0%	1.9	-3.1%	1.8
9 Total Local Taxes		2,964.4	2,858.4	-1.4%	2.3%	2,922.8	4.0%	3,040.3	4.5%	3,176.5	5.0%	3,336.2	5.8%	3,530.5	5.0%	3,707.8
INTERGOVERNMENTAL AID																
10 Highway User		10.3	1.0	113.1%	215.75%	21.8	51.3%	33.0	0.0%	33.0	0.0%	33.0	0.0%	33.0	0.0%	33.0
11 Police Protection		13.5	8.6	-1.2%	-1.2%	13.7	1.1%	13.8	1.2%	14.0	1.2%	14.2	1.2%	14.3	1.0%	14.5
12 Libraries		5.4	5.4	1.2%	1.2%	5.5	1.1%	5.5	1.2%	5.6	1.2%	5.7	1.2%	5.8	1.0%	5.8
13 Health Services Cap Formula		5.3	3.6	2.5%	2.5%	5.4	2.7%	5.5	3.0%	5.7	3.2%	5.9	3.4%	6.1	3.6%	6.3
14 Mass Transit		22.8	44.9	2.5%	2.5%	23.4	2.7%	24.0	3.0%	24.7	3.2%	25.5	3.4%	26.4	3.6%	27.3
15 Public Schools		440.1	441.1	1.2%	1.0%	445.5	1.2%	450.9	1.2%	456.4	1.2%	462.0	1.2%	467.7	0.0%	467.7
16 Community Colleges		32.5	30.9	2.8%	8.2%	33.4	2.5%	34.2	2.5%	35.1	3.6%	36.0	2.5%	36.9	0.0%	36.9
17 Direct Reimbursements		27.8	27.8	3.1%	3.1%	28.7	3.3%	29.6	3.6%	30.7	3.8%	31.9	4.0%	33.1	4.1%	34.5
17a Direct Reimb: DSS Services		0.0	0.0	n/a	n/a	0.0	0.0	n/a	0.0	n/a	0.0	n/a	0.0	n/a	0.0	0.0
18 Other		10.0	10.0	3.1%	3.1%	10.3	3.3%	10.7	3.6%	11.1	3.8%	11.5	4.0%	11.9	4.1%	12.4
19 Subtotal State Aid		567.7	573.4	3.5%	2.5%	597.7	3.4%	607.4	1.5%	616.4	1.5%	625.6	1.5%	635.7	0.5%	638.4
20 Federal Aid		1.7	1.7	1.6%	1.6%	1.7	1.6%	1.7	1.8%	1.7	1.9%	1.8	2.0%	1.8	2.0%	1.8
Total Intergovernmental Aid		569.3	575.0	3.5%	2.5%	599.3	3.4%	609.1	1.5%	618.1	1.5%	627.4	1.5%	637.0	0.5%	640.3
FEES AND FINES																
22 Licenses & Permits		11.8	11.8	1.5%	1.5%	12.0	1.5%	12.2	1.5%	12.4	1.5%	12.6	1.5%	12.8	1.5%	12.9
23 Charges for Services		48.8	48.3	2.0%	2.0%	49.3	2.2%	50.3	2.4%	51.5	2.6%	52.8	2.7%	54.3	2.9%	55.8
24 Fines & Forfeitures		38.0	38.0	1.6%	1.6%	38.7	1.6%	39.3	1.6%	39.9	1.6%	40.5	1.6%	41.2	1.6%	41.8
25 Montgomery College Tuition		71.1	71.1	1.6%	1.6%	72.3	0.6%	72.7	0.5%	73.0	0.2%	73.2	0.0%	73.2	0.0%	73.2
26 Total Fees and Fines		169.8	169.3	1.4%	1.7%	172.2	1.3%	174.5	1.3%	176.9	1.3%	179.1	1.3%	181.4	1.3%	183.8
MISCELLANEOUS																
27 Investment Income		5.9	1.8	11.6%	261.5%	6.6	63.7%	10.8	47.3%	15.9	31.1%	20.8	13.1%	23.5	2.8%	24.2
28 Other Miscellaneous		95.5	95.5	2.5%	2.5%	12.3	2.7%	12.6	3.0%	13.0	3.2%	13.4	3.4%	13.9	3.6%	14.4
29 Total Miscellaneous		101.4	97.3	-81.4%	-80.6%	18.9	24.0%	23.4	23.4%	26.9	18.6%	34.2	9.3%	37.4	3.1%	38.5
30 TOTAL REVENUES		3,804.9	3,700.1	-2.7%	0.1%	3,703.3	3.9%	3,847.3	4.0%	4,000.3	4.4%	4,176.9	5.0%	4,386.3	4.2%	4,570.4
31 \$ Change from prior Budget		96.3	(8.5)			3.2		144.1		153.0		176.6		209.3		184.1

Projected Total Uses of Resources (Combined Uses)																
	A USE OF RESOURCES	B App. FY10	C Estimate FY10	D % Chg. FY10-11	E % Chg. FY10-11	F Projected FY11	G Projected FY11-12	H Projected FY12	I % Chg. FY12-13	J Projected FY13	K % Chg. FY13-14	L Projected FY14	M % Chg. FY14-15	N Projected FY15	O % Chg. FY15-16	P Projected FY16
1	Total Resources		5-21-09	12-1-09	Rec / Est	12-1-09										
2	Revenues	3,804.9	3,700.1	-2.7%	0.1%	3,703.3	3.9%	3,847.3	4.0%	4,000.3	4.4%	4,176.9	5.0%	4,386.3	4.2%	4,570.4
3	Beginning Reserves Undesignated	115.5	103.6	-127.4%	-130.5%	(31.6)	-419.8%	101.1	16.4%	117.7	8.7%	127.9	8.8%	139.1	9.5%	152.4
4	Beginning Reserves Designated	0.0	0.0			0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	
5	Net Transfers In	37.2	37.1	-79.4%	-79.4%	7.7	2.7%	7.9	3.0%	8.1	3.2%	8.4	3.4%	8.6	3.6%	9.0
6	Total Resources	3,957.7	3,840.8	-7.0%	-4.2%	3,679.3	7.5%	3,956.3	4.3%	4,126.2	4.5%	4,313.2	5.1%	4,534.1	4.4%	4,731.8
7	\$ Change from prior Budget	50.9	(66.0)			(161.5)		277.0		169.9		187.1		220.8		197.7
8	Uses: Non-Agency															
9	Capital Investment (a)															
10	Debt Service: GO Bonds for all Ag's.	224.8	224.8	9.8%	9.8%	246.8	10.0%	271.4	9.2%	296.3	6.2%	314.7	3.4%	325.4	0.0%	325.4
11	Debt Service: Local Parks	5.0	5.0	0.0%	0.0%	5.0	0.0%	5.0	0.0%	5.0	0.0%	5.0	0.0%	5.0	0.0%	5.0
12	Debt Service: Leases	21.7	21.7	29.8%	29.8%	28.1	8.8%	30.6	-15.3%	25.9	-2.7%	25.2	-5.7%	23.8	0.0%	23.8
13	CIP Current Revenue	30.7	26.1	24.0%	46.0%	38.1	-21.2%	30.1	48.3%	44.6	43.7%	64.0	0.0%	64.0	0.0%	64.0
14	CIP Paygo	1.3	1.3	293.6%	293.6%	31.5	3.2%	32.5	-10.8%	29.0	3.4%	30.0	0.0%	30.0	0.0%	30.0
14a	CIP Paygo Rec Tax	0.0	0.0	0.0%	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0
15	Sub-total Capital	283.5	278.9	23.3%	25.3%	349.5	5.7%	369.5	8.4%	400.7	9.5%	438.9	2.1%	448.1	0.0%	448.1
16	Other Uses															
17	Set Aside: Potential Supplements	0.0	19.7			0.0		20.0		20.0		20.0		20.0		20.0
18	Set Aside: Other Claims	2.5	2.5			2.5		0.0		0.0		0.0		0.0		0.0
19	Revenue Stabilization Fund	0.0	0.0			0.0		0.0		0.0		0.0		0.0		0.0
20	Sub-total Other	2.5	22.2			2.5		20.0		20.0		20.0		20.0		20.0
21	Reserves															
22	Revenue Stabilization Fund	119.6	119.6	0.0%	0.0%	119.6	0.0%	119.6	0.0%	119.6	0.0%	119.6	0.0%	119.6	0.0%	119.6
23	Reserve Undesignated	76.2	(31.6)	32.7%	-419.8%	101.1	116.4%	117.7	8.7%	127.9	8.8%	139.1	9.5%	152.4	7.8%	164.3
24	Reserve Designated	0.0	0.0			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
25	Sub-total Reserves	195.8	88.0	12.7%	150.8%	220.8	7.5%	237.4	4.3%	247.6	4.5%	258.8	5.1%	272.0	4.4%	285.9
26	Less Revenue Stabilization Fund	(119.6)	(119.6)	0.0%	0.0%	(119.6)	0.0%	(119.6)	0.0%	(119.6)	0.0%	(119.6)	0.0%	(119.6)	0.0%	(119.6)
27	Less Designated Reserve	0.0	0.0			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
28	Sub-total Undesignated Reserves	76.2	(31.6)	32.7%	-419.8%	101.1	16.4%	117.7	8.7%	127.9	8.8%	139.1	9.5%	152.4	7.8%	164.3
29	Total Uses: Non-Agency	362.2	269.5	25.1%	68.1%	453.1	11.9%	507.3	8.2%	548.6	9.0%	598.0	3.8%	620.5	1.9%	632.4
30	Uses: Available for Agency Services	3,595.4	3,571.3	-10.3%	-9.7%	3,226.2	6.9%	3,449.1	3.7%	3,577.6	3.8%	3,715.2	5.3%	3,913.5	4.7%	4,099.4
31	\$ Change from prior Budget	86.0	61.5			(345.1)		222.9		128.5		137.7		198.3		185.8

FY09 4TH QUARTERLY ANALYSIS

Department	Latest	Actual	Variance	Actual	Savings Plan	% Change	FY09	Variance
	Budget 4th Qtr	4thQA	to Budget	to Budget	(E)			
	(A)	(B)	(A-B)	(A-B)/A		Approved	4th QA vs.	Approved
Tax Supported								
General Fund								
Board of Appeals	617,790	611,910	5,880	1.0%	15,480	(9,600)		
Board of Elections	10,410,870	9,916,836	494,034	4.7%	-	494,034		
Circuit Court	10,627,870	10,128,771	499,099	4.7%	268,690	230,409		
Commission for Women	1,309,350	1,273,461	35,889	2.7%	32,940	2,949		
Consumer Protection	2,642,690	2,567,048	75,642	2.9%	66,560	9,082		
Correction and Rehabilitation	65,595,320	66,640,253	(1,044,933)	-1.6%	655,700	(1,700,633)		
County Attorney	5,621,240	5,819,342	(198,102)	-3.5%	147,960	(346,062)		
County Council	9,408,610	8,940,756	467,854	5.0%	237,000	230,854		
County Executive	6,778,076	6,471,550	306,526	4.5%	174,500	132,026		
Economic Development	8,026,370	8,408,186	(381,816)	-4.8%	182,660	(564,476)		
Emergency Management and Homeland Security	1,593,470	1,249,732	343,738	21.6%	16,220	327,518		
Environmental Protection	4,269,250	4,012,226	257,024	6.0%	108,240	148,784		
Ethics Commission	264,310	279,257	(14,947)	-5.7%	-	(14,947)		
Finance	10,363,806	9,522,203	841,603	8.1%	264,840	576,763		
General Services	30,849,080	32,367,787	(1,518,707)	-4.9%	708,030	(2,226,737)		
Health and Human Services	198,297,600	189,997,470	8,300,130	4.2%	3,020,250	5,279,880		
Housing and Community Affairs	5,643,880	5,275,278	368,602	6.5%	139,050	229,552		
Human Resources	9,338,460	8,759,640	578,820	6.2%	262,970	315,850		
Human Rights	2,320,770	2,300,427	20,343	0.9%	61,600	(41,257)		
Inspector General	687,180	603,862	83,318	12.1%	17,520	65,798		
Intergovernmental Relations	876,740	859,997	16,743	1.9%	22,070	(5,327)		
Legislative Oversight	1,349,590	1,277,772	71,818	5.3%	27,400	44,418		
Management and Budget	3,986,400	3,826,525	159,875	4.0%	100,880	58,995		
Merit System Protection Board	153,800	148,765	5,035	3.3%	-	5,035		
Non-Departmental Accounts	127,125,060	118,516,136	8,608,924	6.8%	6,085,030	2,523,894		
People's Counsel	250,170	239,347	10,823	4.3%	-	10,823		
Police	240,988,148	235,431,978	5,556,170	2.3%	2,397,300	3,158,870		
Public Information	1,305,940	1,326,188	(20,248)	-1.6%	32,720	(52,968)		
Public Libraries	-	-	-	-	-	-		
Administration, Outreach, and Support	3,650,668	3,474,302	176,366	4.8%	112,400	63,966		
Library Services to the Public	26,379,190	26,191,158	188,032	0.7%	80,000	108,032		
Collection Management	8,725,980	8,033,333	692,647	7.9%	787,420	(94,773)		
Regional Services Centers	4,354,840	4,145,101	209,739	4.8%	110,910	98,829		
Sheriff	20,091,954	20,286,876	(194,922)	-1.0%	205,180	(400,102)		
State's Attorney	12,595,950	12,684,217	(88,267)	-0.7%	125,960	(214,227)		
Technology Services	33,243,660	32,389,997	853,663	2.6%	1,357,920	(504,257)		
Transportation	54,162,210	52,997,996	1,164,214	2.1%	1,145,150	19,064		
Utilities	25,866,880	25,521,020	345,860	1.3%	-	345,860		
Zoning and Administrative Hearings	541,520	490,754	50,766	9.4%	13,800	36,966		
General Fund Total	950,314,692	922,987,457	27,327,235	2.9%	18,984,350	8,342,885		

FY09 4TH QUARTERLY ANALYSIS

Department				% Change		FY09	Variance
	Latest	Actual	Variance	Actual	Savings Plan	4th QA vs.	
	Budget 4th Qtr	4thQA	to Budget	to Budget	(E)		Approved Savings Plan
Special Funds							
Bethesda Urban District							
Urban Districts	3,397,940	3,396,480	1,460	0.0%	-	-	1,460
Silver Spring Urban District							
Urban Districts	2,846,410	2,600,926	245,484	8.6%	72,270	173,214	
Wheaton Urban District							
Urban Districts	1,628,710	1,540,063	88,647	5.4%	41,510	47,137	
Mass Transit							
Transit Services	110,545,885	108,203,623	2,342,262	2.1%	1,417,760	924,502	
Fire							
Fire and Rescue Service	191,930,731	190,365,610	1,565,121	0.8%	1,455,322	109,799	
Recreation							
Recreation	31,843,467	30,112,053	1,731,414	5.4%	795,430	935,984	
Economic Development Fund							
Economic Development Fund	1,886,350	674,192	1,212,158	64.3%	-	1,212,158	
Special Funds Total	344,079,493	336,892,947	7,186,546	2.1%	3,782,292	3,404,254	
TAX SUPPORTED TOTAL	1,294,394,185	1,259,880,404	34,513,781	2.7%	22,766,642	11,747,139	

Non-Tax Supported

Special Funds

Grant Fund MCG

Circuit Court	2,642,031	2,642,031	-	0.0%
Correction and Rehabilitation	75,000	75,000	-	0.0%
County Executive	737,025	737,025	-	0.0%
Economic Development	4,026,993	4,026,993	-	0.0%
Environmental Protection	443,000	443,000	-	0.0%
Emergency Management and Homeland Security	1,555,330	1,555,330	-	0.0%
Fire and Rescue Service	7,298,911	7,298,911	-	0.0%
Health and Human Services	75,071,134	75,071,134	-	0.0%
Housing and Community Affairs	24,524,473	24,524,473	-	0.0%
Intergovernmental Relations	34,000	34,000	-	0.0%
Liquor Control	40,395	40,395	-	0.0%
Non-Departmental Accounts	4,838,463	4,838,463	-	0.0%
Police	4,967,124	4,967,124	-	0.0%
Public Libraries	165,550	165,550	-	0.0%
Recreation	133,155	133,155	-	0.0%
Regional Services Center	150,000	150,000	-	0.0%
Sheriff	2,157,740	2,157,740	-	0.0%
State's Attorney	256,675	256,675	-	0.0%
Technology Services	581,375	581,375	-	0.0%
Transit Services	5,402,202	5,402,202	-	0.0%
Grant Fund MCG subtotal	135,100,576	135,100,576	-	0.0%

FY09 4TH QUARTERLY ANALYSIS

Department				% Change	FY09	Variance
	Latest	Actual	Variance	Actual	Savings Plan	4th QA vs.
	Budget 4th Qtr (A)	4thQA (B)	to Budget (A-B)	to Budget (A-B)/A	(E)	Approved Savings Plan
<u>Cable Television</u>						
Cable Television	11,922,900	11,811,637	111,263	0.9%	-	111,263
<u>Montgomery Housing Initiative</u>						
Housing and Community Affairs	38,844,546	21,771,102	17,073,444	44.0%	-	17,073,444
<u>Water Quality Protection Fund</u>						
Environmental Protection	6,986,640	6,540,117	446,523	6.4%	-	446,523
<u>Restricted Donations</u>						
Restricted Donations	1,336,925	534,719	802,206	60.0%	-	802,206
Special Funds Total	59,091,011	40,657,575	18,433,436	31.2%	-	18,433,436
Enterprise Funds						
<u>Community Use of Public Facilities</u>						
Community Use of Public Facilities	9,092,570	8,628,171	464,399	5.1%	-	464,399
<u>Bethesda Parking District</u>						
Parking District Services	12,509,070	12,394,929	114,141	0.9%	-	114,141
<u>Montgomery Hills Parking District</u>						
Parking District Services	113,310	98,668	14,642	12.9%	-	14,642
<u>Silver Spring Parking District</u>						
Parking District Services	11,004,350	10,510,058	494,292	4.5%	-	494,292
<u>Wheaton Parking District</u>						
Parking District Services	1,232,040	1,123,112	108,928	8.8%	-	108,928
<u>Permitting Services</u>						
Permitting Services	29,657,730	26,445,622	3,212,108	10.8%	-	3,212,108
<u>Solid Waste Collection</u>						
Solid Waste Services	6,755,900	6,246,999	508,901	7.5%	-	508,901
<u>Solid Waste Disposal</u>						
Solid Waste Services	94,106,590	88,862,968	5,243,622	5.6%	-	5,243,622
<u>Vacuum Leaf Collection</u>						
Solid Waste Services	5,277,860	4,779,670	498,190	9.4%	-	498,190
<u>Liquor Control</u>						
Liquor Control	72,672,129	69,512,915	3,159,214	4.3%	969,480	2,189,734
Enterprise Funds Total	242,421,549	228,603,112	13,818,437	5.7%	969,480	12,848,957
NON-TAX SUPPORTED TOTAL	436,613,136	404,361,263	32,251,873	7.4%	969,480	31,282,393
TAX and NON-TAX SUPPORTED TOTAL	1,731,007,321	1,664,241,667	66,765,654	3.9%	23,736,122	43,029,532
Internal Service Funds						
<u>Employee Health Benefit Self Insurance Fund</u>						
Human Resources	162,277,400	158,627,416	3,649,984	2.2%	-	3,649,984
<u>Motor Pool Internal Service Fund</u>						
Fleet Management Services	67,836,790	65,706,129	2,130,661	3.1%	1,499,540	631,121
<u>Printing and Mail Internal Service Fund</u>						
Public Works and Transportation	6,583,470	6,252,437	331,033	5.0%	162,650	168,383
<u>Self Insurance Internal Service Fund</u>						
Finance	43,430,390	48,122,807	(4,692,417)	-10.8%	-	(4,692,417)
INTERNAL SERVICE FUNDS TOTAL	280,128,050	278,708,789	1,419,261	0.5%	1,662,190	(242,929)

FY09 4TH QUARTERLY ANALYSIS

Département	Latest	Actual	Variance	% Change	FY09	Variance
	Budget 4th Qtr	4thQA	to Budget	Actual	Savings Plan	4th QA vs. Approved Savings Plan
	(A)	(B)	(A-B)	(A-B)/A	(E)	
NDAs: Tax Supported - General Fund						
MISC. COMMUNITY GRANTS	5,783,460	5,636,892	146,568	2.5%	-	146,568
NDA - COUNTY LEASES	18,455,210	16,782,232	1,672,978	9.1%	461,380	1,211,598
NDA ARTS COUNCIL OF MONTGOMERY	5,315,480	5,306,781	8,699	0.2%	-	8,699
NDA BOARDS, COMMITTEES AND COMMISSIONS	20,000	22,959	(2,959)	-14.8%	-	(2,959)
NDA CHARTER REVIEW COMMISSION	150	135	15	10.0%	-	15
NDA CLIMATE CHANGE IMPLEMENTATION	1,561,000	1,262,801	298,199	19.1%	-	298,199
NDA CLOSING COST ASSISTANCE PROGRAM	33,790	33,790	-	0.0%	-	-
NDA COMPENSATION ADJUSTMENT	1,618,620	996,321	622,299	38.4%	809,420	(187,121)
NDA CONFERENCE AND VISITOR'S BUREAU	695,450	695,450	-	0.0%	-	-
NDA CONFERENCE CENTER	567,090	411,964	155,126	27.4%	-	155,126
NDA CONTRIBUTION TO MOTOR POOL	1,380,830	1,214,928	165,902	12.0%	-	165,902
NDA CONTRIB TO SELF INS FUND-RISK MGMT	9,809,740	9,397,551	412,189	4.2%	-	412,189
NDA COUNTY ASSOCIATIONS	70,450	69,953	497	0.7%	-	497
NDA DESKTOP COMPUTER MODERNIZATION	7,136,360	6,848,283	288,077	4.0%	828,410	(540,333)
NDA GRANTS TO MUNI IN LIEU SHARES TAXES	28,020	28,012	8	0.0%	-	8
NDA GROUP INSURANCE RETIREES	26,039,330	26,039,330	-	0.0%	-	-
NDA HISTORICAL ACTIVITIES	355,340	355,340	-	0.0%	-	-
NDA HOMEOWNERS' ASSOCIATION ROADS	337,700	337,549	151	0.0%	-	151
NDA HOUSING OPPORTUNITIES COMMISS.(HOC)	6,140,640	5,987,120	153,520	2.5%	153,520	-
NDA INDEPENDENT AUDIT	394,000	290,805	103,195	26.2%	-	103,195
NDA ITPCC	30,000	6,555	23,445	78.2%	-	23,445
NDA METRO WASH COUNCIL OF GOVTS	742,720	743,366	(646)	-0.1%	-	(646)
NDA MONTGOMERY COALITION FOR ADULT ENGLISH LITERACY (MCAEL)	745,000	745,000	-	0.0%	-	-
NDA MUNICIPAL TAX DUPLICATION	7,488,240	7,479,836	8,404	0.1%	-	8,404
NDA POLICE PRISONER MEDICAL	10,000	27,313	(17,313)	-173.1%	-	(17,313)
NDA PRODUCTIVITY ENHANCEMENTS AND PERSONNEL COST SAVINGS	-	-	-	0.0%	-	-
NDA PUBLIC TECHNOLOGIES, INC (PTI)	27,500	20,000	7,500	27.3%	-	7,500
NDA REBATE-TAKOMA PARK-POLICE PROTECT!	705,570	716,590	(11,020)	-1.6%	-	(11,020)
NDA RETIREE HEALTH BENEFITS TRUST	16,391,930	16,391,930	-	0.0%	-	-
NDA ROCKVILLE PARKING DISTRICT	377,500	485,109	(107,609)	-28.5%	-	(107,609)
NDA SPECIAL RETIREMENT CONTRIBUTNS-	3,740	3,749	(9)	-0.2%	-	(9)
NDA STATE POSITIONS SUPPLEMENT	144,950	114,954	29,996	20.7%	-	29,996
NDA STATE RETIREMENT CONTRIBUTION	934,920	934,919	1	0.0%	-	1
NDA -TAKOMA PARK-LIBRARIES TRANSITION	112,630	112,352	278	0.2%	-	278
NDA WORKING FAMILIES INCOME SUPPLEMENT	13,667,700	9,016,267	4,651,433	34.0%	3,832,300	819,133
NDAs: Tax Supported - General Fund Total	127,125,060	118,516,136	8,608,924	6.8%	6,085,030	2,523,894
NDAs: Non-Tax Supported - Grant Fund						
NDA COMPENSATION ADJUSTMENT	-	-	-	-	-	-
NDA FUTURE FEDERAL/STATE/OTHER GRANTS	4,813,463	4,813,463	-	0.0%	-	-
NDA HISTORICAL ACTIVITIES	25,000	25,000	-	0.0%	-	-
NDAs: Non-Tax Supported - Grant Fund Total	4,838,463	4,838,463	-	0.0%	-	-